1	TO THE HOUSE OF REPRESENTATIVES:
2	The Committee on Fish, Wildlife and Water Resources to which was
3	referred House Bill No. 590 entitled "An act relating to the safety and
4	regulation of dams" respectfully reports that it has considered the same and
5	recommends that the bill be amended by striking out all after the enacting
6	clause and inserting in lieu thereof the following:
7	* * * Registration and Inspection of Dams * * *
8	Sec. 1. 10 V.S.A. chapter 43 is amended to read:
9	CHAPTER 43. DAMS
10	§ 1080. DEFINITIONS
11	As used in this chapter:
12	(1) "Department" means the department of environmental conservation
13	Department of Environmental Conservation.
14	(2) "Person" means any individual; partnership; company; corporation;
15	association; joint venture; trust; municipality; the state State of Vermont or any
16	agency, department, or subdivision of the state State, any federal agency, or
17	any other legal or commercial entity.
18	(3) "Person in interest" means, in relation to any dam, a person who has
19	riparian rights affected by that dam, a substantial interest in economic or
20	recreational activity affected by the dam, or whose safety would be endangered
21	by a failure of the dam.

1	(4) "Engineer" means a professional engineer registered licensed under
2	Title 26 who has experience in the design and investigation of dams.
3	(5) "Time" shall be reckoned in the manner prescribed by 1 V.S.A.
4	§ 138.
5	(6) "Abandoned dam" means a dam that has no identifiable owner or a
6	dam for which the owner fails to comply with the requirements of section 1104
7	of this title.
8	(7) "Dam" means any artificial barrier, impoundment, or structure and
9	its appurtenant works that are, were, or will be capable of impounding water or
10	other liquid after construction or alteration, except for:
11	(A) waste management systems constructed and operated according
12	to the accepted agricultural practices as administered by the Agency of
13	Agriculture, Food and Markets; or
14	(B) barriers, impoundments, or structures impounding water with one
15	acre or less of surface area.
16	(8) "Pond" means a natural body of water with a volume exceeding
17	500,000 cubic feet.
18	§ 1081. JURISDICTION OF DEPARTMENT AND PUBLIC SERVICE
19	BOARD
20	(a) Unless otherwise provided, the powers and duties authorized by this
21	chapter shall be exercised by the department, except that the public service

1	board Department, except that the Public Service Board shall exercise those
2	powers and duties over dams and projects that relate to or are incident to the
3	generation of electric energy for public use or as a part of a public utility
4	system.
5	(b) Transfer of jurisdiction. Jurisdiction over a dam is transferred from the
6	department Department to the public service board Public Service Board
7	whenever the Federal Energy Regulatory Commission grants a license to
8	generate electricity at the dam or whenever the public service board Public
9	Service Board receives an application for a certificate of public good for
10	electricity generation at that dam. Jurisdiction is transferred from the public
11	service board Public Service Board to the department Department whenever
12	such a federal license expires or is otherwise lost, whenever such a certificate
13	of public good is revoked or otherwise lost, or whenever the public service
14	board Public Service Board denies an application for a certificate of public
15	good.
16	(c) Upon transfer of jurisdiction as set forth above and upon written
17	request, the state agency having former jurisdiction shall transfer copies of all
18	records pertaining to the dam to the agency acquiring jurisdiction.
19	§ 1082. AUTHORIZATION
20	(a) No person shall construct, enlarge, raise, lower, remodel, reconstruct, or
21	otherwise alter any dam, or the natural outlet of a pond or impoundment or

- other structure which is or will be capable of impounding more than 500,000 cubic feet of water or other liquid after construction or alteration, or remove, breach, or otherwise lessen the capacity of an existing dam that is or was capable of impounding more than 500,000 cubic feet within or along the borders of this state State where land in this state State is proposed to be overflowed, or at the outlet of any body of water within this state State, unless authorized by the state agency having jurisdiction so to do Department or the Public Service Board. However, in the matter of flood control projects where cooperation with the federal government is provided for by the provisions of section 1100 of this title, that section shall control.
 - (b) For the purposes of this chapter, the volume a dam or other structure is capable of impounding is the volume of water or other liquid, including any accumulated sediments, controlled by the structure with the water or liquid level at the top of the nonoverflow part of the structure.

15 § 1083. APPLICATION

(a) Any person who proposes to undertake an action subject to regulation pursuant to section 1082 of this title shall apply in writing to the state agency having jurisdiction, Department or the Public Service Board and shall give notice thereof to the governing body of the municipality or municipalities in which the dam or any part of the dam is to be located. The application shall set forth:

1	(1) the location, the height, length and other dimensions, and any
2	proposed changes to any existing dam;
3	(2) the approximate area to be overflowed and the approximate number
4	of, or any change in the number of cubic feet of water to be impounded;
5	(3) the plans and specifications to be followed in the construction,
6	remodeling, reconstruction, altering, lowering, raising, removal, breaching, or
7	adding to;
8	(4) any change in operation and maintenance procedures; and
9	(5) other information that the state agency having jurisdiction
10	Department or the Public Service Board considers necessary to properly
11	review the application.
12	(b) The plans and specifications shall be prepared under the supervision of
13	an engineer.
14	§ 1083a. AGRICULTURAL DAMS
15	(a) Notwithstanding the provisions of sections 1082, 1083, 1084, and 1086
16	of this title, the owners of an agricultural enterprise who propose, as an integral
17	and exclusive part of the enterprise, to construct or alter any dam, pond or
18	impoundment or other structure requiring a permit under section 1083 shall
19	apply to the natural resources conservation district in which his land is located.
20	The natural resources conservation districts created under the provisions of
21	chapter 31 of this title shall be the state agency having jurisdiction and shall

1	review and approve the applications in the same manner as would the
2	department. The districts may request the assistance of the department for any
3	investigatory work necessary for a determination of public good and for any
4	review of plans and specifications as provided in section 1086.
5	(b) As used in this section, "agricultural enterprise" means any farm,
6	including stock, dairy, poultry, forage crop and truck farms, plantations,
7	ranches and orchards, which does not fall within the definition of "activities
8	not engaged in for a profit" as defined in Section 183 of the Internal Revenue
9	Code and regulations relating thereto. The growing of timber does not in itself
10	constitute farming.
11	(c) Notwithstanding the provisions of this section, jurisdiction shall revert
12	to the department when there is a change in use or when there is a change in
13	ownership which affects use. In those cases the department may, on its own
14	motion, hold meetings in order to determine the effect on the public good and
15	public safety. The department may issue an order modifying the terms and
16	conditions of approval.
17	(d) The natural resources conservation districts may adopt any rules
18	necessary to administer this chapter. The districts shall adhere to the
19	requirements of chapter 25 of Title 3 in the adoption of those rules.
20	(e) Notwithstanding the provisions of chapter 7 of Title 3, the attorney
21	general shall counsel the districts in any case where a suit has been instituted

1	against the districts for any decision made under the provisions of this chapter.
2	[Repealed.]
3	§ 1084. DEPARTMENT OF FISH AND WILDLIFE; INVESTIGATION
4	The commissioner of fish and wildlife Commissioner of Fish and Wildlife
5	shall investigate the potential effects on fish and wildlife habitats of any
6	proposal subject to section 1082 of this title and shall certify the results to the
7	state agency having jurisdiction Department or the Public Service Board prior
8	to any hearing or meeting relating to the determination of public good and
9	public safety.
10	§ 1085. NOTICE OF APPLICATION
11	Upon receipt of the application required by section 1082 of this title, the
12	state agency having jurisdiction Department or the Public Service Board shall
13	give notice to all persons interested.
14	(1) For any project subject to its jurisdiction under this chapter, on On
15	the petition of 25 or more persons, the department Department or the Public
16	Service Board shall, or on its own motion it may, hold a public information
17	meeting in a municipality in the vicinity of the proposed project to hear
18	comments on whether the proposed project serves the public good and
19	provides adequately for the public safety. Public notice shall be given by
20	posting in the municipal offices of the towns in which the project will be

1 completed and by publishing in a local newspaper at least 10 days before the 2 meeting.

- (2) For any project subject to its jurisdiction under this chapter, the public service board shall hold a hearing on the application. The purpose of the hearing shall be to determine whether the project serves the public good as defined in section 1086 of this title and provides adequately for the public safety. The hearing shall be held in a municipality in the vicinity of the proposed project and may be consolidated with other hearings, including hearings under 30 V.S.A. § 248 concerning the same project. Notice shall be given at least 10 days before the hearing to interested persons by posting in the municipal offices of the towns in which the project will be completed and by publishing in a local newspaper.
- § 1086. DETERMINATION OF PUBLIC GOOD; CERTIFICATES
 - (a) "Public good" means the greatest benefit of the people of the State. In determining whether the public good is served, the state agency having jurisdiction Department or the Public Service Board shall give due consideration to, among other things, to the effect the proposed project will have on:
 - (1) the quantity, kind, and extent of cultivated agricultural land that may be rendered unfit for use by or enhanced by the project, including both the immediate and long range long-range agricultural land use impacts;

1	(2) scenic and recreational values;
2	(3) fish and wildlife;
3	(4) forests and forest programs;
4	(5) the need for a minimum water discharge flow rate schedule to
5	protect the natural rate of flow and the water quality of the affected waters;
6	(6) the existing uses of the waters by the public for boating, fishing,
7	swimming, and other recreational uses;
8	(7) the creation of any hazard to navigation, fishing, swimming, or other
9	public uses;
10	(8) the need for cutting clean and removal of all timber or tree growth
11	from all or part of the flowage area;
12	(9) the creation of any public benefits;
13	(10) consistency with the Vermont water quality standards and the
14	classification, if any, of the affected waters under chapter 47 of this title;
15	(11) any applicable state State, regional, or municipal plans;
16	(12) municipal grand lists and revenues;
17	(13) public safety; and
18	(14) in the case of proposed removal of a dam that formerly related to or
19	was incident to the generation of electric energy, but which was not subject to
20	a memorandum of understanding dated prior to January 1, 2006 relating to its
21	removal, the potential for and value of future power production.

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(b) If the State agency having jurisdiction Department or the Public Service Board finds that the proposed project will serve the public good, and, in case of any waters designated by the Secretary as outstanding resource waters, will preserve or enhance the values and activities sought to be protected by designation, the agency Department or the Public Service Board shall issue its order approving the application. The order shall include conditions for minimum stream flow to protect fish and instream aquatic life, as determined by the Agency of Natural Resources, and such other conditions as the agency having jurisdiction Department or the Public Service Board considers necessary to protect any element of the public good listed above. Otherwise it shall issue its order disapproving the application. (c) The agency Department or the Public Service Board shall provide the applicant and interested parties with copies of its order. (d) In the case of a proposed removal of a dam that is under the jurisdiction of the department and that formerly related to or was incident to the generation

of electric energy but that was not subject to a memorandum of understanding

dated before January 1, 2006 relating to its removal, the department shall

consult with the department of public service regarding the potential for and

value of future power production at the site. [Repealed.]
§ 1087. REVIEW OF PLANS AND SPECIFICATIONS

1	Upon receipt of an application, the state agency having jurisdiction
2	Department or the Public Service Board shall employ a registered licensed
3	engineer experienced in the design and investigation of dams to investigate the
4	property, review the plans and specifications, and make additional
5	investigations as it considers necessary to ensure that the project adequately
6	provides for the public safety. The engineer shall report his or her findings to
7	the agency Department or the Public Service Board.
8	§ 1089. EMPLOYMENT OF HYDRAULIC ENGINEER
9	With the approval of the governor Governor, the state agency having
10	jurisdiction Department or the Public Service Board may employ a competent
11	hydraulic engineer to investigate the property, review the plans and
12	specifications, and make such additional investigation as such agency the
13	Department or the Public Service Board shall deem necessary, and such
14	engineer shall report to the agency Department or the Public Service Board his
15	or her findings in respect thereto.
16	§ 1090. CONSTRUCTION SUPERVISION
17	The construction, alteration, or other action authorized in section 1086 of
18	this title shall be supervised by a registered licensed engineer employed by the
19	applicant. Upon completion of the authorized project, the engineer shall
20	certify to the agency having jurisdiction Department or the Public Service

- Board that the project has been completed in conformance with the approved plans and specifications.
- 3 § 1095. UNSAFE DAM; PETITION; HEARING; EMERGENCY
 - (a) On receipt of a petition signed by not less no fewer than ten persons in interest or the legislative body of a municipality, the agency having jurisdiction Department or the Public Service Board shall, or upon its own motion it may, institute investigations by an engineer as described in section 1087 of this title regarding the safety of any existing dam or portion of a dam, of any size. The agency Department or the Public Service Board may fix a time and place for hearing and shall give notice in the manner it directs to all parties interested. The engineer shall present his or her findings and recommendations at the hearing. After the hearing, if the agency Department or the Public Service Board finds that the dam or portion of the dam as maintained or operated is unsafe or is a menace to people or property above or below the dam, it shall issue an order directing reconstruction, repair, removal, breaching, draining, or other action it considers necessary to make the dam safe.
 - (b) If, upon the expiration of such date as may be ordered, the owner of such dam has not complied with the order directing the reconstruction, repair, breaching, removal, draining, or other action of such unsafe dam, the state agency having jurisdiction Department or the Public Service Board may petition the superior court Superior Court in the county in which the dam is

1	located to enforce its order or exercise the right of eminent domain to acquire
2	such rights as may be necessary to effectuate a remedy as the public safety or
3	public good may require. If the order has been appealed, the court Court may
4	prohibit the exercise pending disposition of the appeal.
5	(c) If, upon completion of the investigation described in subsection (a) of
6	this section, the state agency having jurisdiction Department or the Public
7	Service Board considers the dam to present an imminent threat to human life or
8	property it shall take whatever action it considers necessary to protect life and
9	property and subsequently conduct the hearing described in subsection (a).
10	* * *
11	§ 1098. REMOVAL OF OBSTRUCTIONS; APPROPRIATION
12	The department Department may contract for the removal of sandbars,
13	debris, or other obstructions from streams which the department Department
14	finds that while so obstructed may be a menace in time of flood, or endanger
15	property or life below, or the property of riparian owners. The expense of
16	investigation and removal of the obstruction shall be paid by the state State
17	from funds provided for that purpose.
18	§ 1099. APPEALS
19	(a) Appeals of any act or decision of the department Department under this
20	chapter shall be made in accordance with chapter 220 of this title.

1	(b) Appeals from actions or orders of the public service board Public
2	Service Board may be taken in the supreme court Supreme Court in accord
3	with 30 V.S.A. § 12.
4	* * *
5	§ 1104. DAM REGISTRATION
6	(a) Application of section. The requirements of this section shall apply to
7	all dams in the State within the jurisdiction of the Department regardless of
8	whether the dam is permitted or approved under this chapter. The rules of the
9	Public Service Board shall control the regulation and inspection of dams and
10	projects over which the Public Service Board has jurisdiction.
11	(b) Dam registration. On or before January 1, 2015 and annually
12	thereafter, the owner of property on which a dam is located or the owner of the
13	dam, if that person is not the owner of the property, shall, on a form provided
14	by the Department, register the dam with the Department.
15	(c) Department identification of dam.
16	(1) The Department shall post the location and hazard potential
17	classification of every dam in the State on the Agency of Natural Resources'
18	website.
19	(2) The standards for hazard classification shall be equivalent to the
20	standards for low, significant, and high hazard dams under the U.S. Army
21	Corps of Engineers Hazard Potential Classification of Dams, under 33 C.F.R.

1	§ 222.6. The Department may designate a dam as an unknown hazard dam
2	when it lacks information sufficient to classify it as a low, significant, or high
3	hazard dam.
4	(d) Failure to submit registration. If the Department identifies the owner of
5	an unregistered dam, the Department shall notify the owner of the requirement
6	to register the dam under this section. The owner of a dam who receives notice
7	of required registration under this subsection shall have 60 days from the date
8	of the Department's notice to submit a complete dam registration form to the
9	Department.
10	(e) Dam safety inspection. Fees collected under 3 V.S.A. § 2822(j)(12)(B)
11	shall be deposited into the Environmental Permit Fund under 3 V.S.A. § 2805
12	and shall be used to implement the requirements of this chapter.
13	(f) Designation of dam as abandoned. If an owner of a dam classified as an
14	unknown hazard fails to submit to the Department the dam registration form
15	required by this section, the dam may be designated an abandoned dam subject
16	to the provisions of section 1104a of this title.
17	(g) Failure to file dam evaluation report. If an owner of a dam fails to
18	submit the dam registration form as required under subsection (b) of this
19	section, the Department may inspect, or retain a licensed professional engineer
20	to inspect, the dam. The cost to the Department of the inspection shall be
21	assessed against the owner of the dam.

1	§ 1104a. ABANDONED DAMS
2	(a) Designation of dam as abandoned. The Department may designate a
3	dam as abandoned if the Department:
4	(1) has identified an owner of the dam, but the owner fails to comply
5	with the requirements of section 1104 of this title or the owner fails to comply
6	with an action or order required under this chapter; or
7	(2) cannot identify an owner of the dam; and
8	(3) publishes notice of a pending determination of abandonment of the
9	dam in a newspaper of general circulation in the county in which the dam is
10	located; and after 45 days from the date of publication of pending
11	determination of abandonment, no person has asserted ownership or control of
12	the dam.
13	(b) Inspection of abandoned dam. Upon designation of a dam as
14	abandoned, the Department shall conduct an inspection of the dam according
15	to its inspection authority under section 1105 of this title.
16	(c) Lien on property on which dam is situated. When the Department takes
17	action under this section to inspect an abandoned dam or when the Department
18	takes any action under this chapter to alleviate or address a risk to life or
19	property from an abandoned dam, the costs of the action shall be a lien in favor
20	of the State on the property on which the dam is located and on the buildings
21	and structures located on that property in order to secure repayment of the

1	State of inspection or other action. The lien shall arise at the time demand is
2	made by the Secretary and shall continue until the liability for such sum with
3	interest and costs is satisfied or becomes unenforceable. A lien under this
4	section shall be subordinate to a primary mortgage on the property. Notice of a
5	lien under this section shall be recorded in the land records of the town in
6	which the property is located.
7	(d) Assumption of ownership of an abandoned dam. A person may assume
8	ownership of a dam designated by the Department as abandoned by:
9	(1) notifying the Department, where applicable, of the intent to assume
10	ownership;
11	(2) submission of the dam registration form required under section 1104
12	of this title;
13	(3) payment of costs or liabilities due the Department; and
14	(4) submission of indicia of ownership of the dam.
15	* * *
16	* * * Disclosure of Dam at Conveyance * * *
17	Sec. 2. 27 V.S.A. § 617 is added to read:
18	§ 617. DISCLOSURE OF DAM ON PROPERTY AT CONVEYANCE
19	(a) Definitions. As used in this section, "dam" shall have the same
20	meaning as provided for in 10 V.S.A. § 1080(7).

1	(b) Seller; disclosure of dam on property. A seller of real property on
2	which a dam is located shall:
3	(1) prior to the execution of a contract for the conveyance of real
4	property:
5	(A) disclose to the buyer the presence and location of the dam on the
6	property; and
7	(B) provide the buyer with an inspection report for the dam that
8	accurately reflects the current condition of the dam by an independent licensed
9	engineer experienced in the design and investigation of dams; and
10	(2) submit to the Department a notice of property transfer of the dam no
11	later than 15 days from execution of the contract for the conveyance of the real
12	property.
13	(c) Buyer; registration with Department. No later than 15 days from
14	execution of a contract for the conveyance of real property on which a dam is
15	located, the buyer of the real property shall, on a form provided by the
16	Department, notify the Department and the municipality or municipalities in
17	which the dam is located of the property transfer. The notification form shall
18	include:
19	(1) a copy of the current dam safety inspection report provided by the
20	seller prior to execution of the contract for the conveyance; and
21	(2) the name, mailing address, and telephone number of the buyer.

1 (d) Marketability of title. Noncompliance with the requirements of this 2 section shall not affect the marketability of title of a property. 3 (e) Penalty; liability. Liability for failure to provide the informational 4 materials required by this section shall be limited to a civil penalty, imposed by 5 the Agency of Natural Resources under 10 V.S.A. chapter 201, of no less than 6 \$100.00 and no more than \$250.00 for each day in violation. * * * Dam Registration Fees * * * 7 8 Sec. 3. 3 V.S.A. § 2805 is amended to read: 9 § 2805. ENVIRONMENTAL PERMIT FUND 10 (a) There is hereby established a special fund to be known as the 11 Environmental Permit Fund. Within the Fund, there shall be two accounts: the 12 Environmental Permit Account and the Air Pollution Control Account. Unless 13 otherwise specified, fees collected in accordance with subsections 2822(i) and 14 (j) of this title, and 10 V.S.A. § 2625 and gifts and appropriations shall be 15 deposited in the Environmental Permit Account. Fees collected in accordance 16 with subsections 2822(j)(1), (k), (l), and (m) of this title shall be deposited in 17 the Air Pollution Control Account. The Environmental Permit Fund shall be 18 used to implement the programs specified under section 2822 of this title. The 19 Secretary of Natural Resources shall be responsible for the fund and shall 20 account for the revenues and expenditures of the Agency of Natural Resources. 21 The Environmental Permit Fund shall be subject to the provisions of 32 V.S.A.

1	chapter 7, subchapter 5. The Environmental Permit Fund shall be used to
2	cover a portion of the costs of administering the Environmental Division
3	established under 4 V.S.A. chapter 27. The amount of \$143,000.00 per fiscal
4	year shall be disbursed for this purpose.
5	(b) Any fee required to be collected under subdivision 2822(j)(1) of this
6	title shall be utilized solely to cover all reasonable (direct or indirect) costs
7	required to support the operating permit program authorized under 10 V.S.A.
8	chapter 23. Any fee required to be collected under subsection 2822(k), (l), or
9	(m) of this title for air pollution control permits or registrations or motor
10	vehicle registrations shall be utilized solely to cover all reasonable (direct or
11	indirect) costs required to support the programs authorized under 10 V.S.A.
12	chapter 23. Fees collected pursuant to subsections 2822(k), (l), and (m) of this
13	title shall be used by the Secretary to fund activities related to the Secretary's
14	hazardous or toxic contaminant monitoring programs and motor
15	vehicle-related programs.
16	(c) Any fee required to be collected under subdivision 2822(j)(12) of this
17	title for dam registrations shall be used solely to cover all direct or indirect
18	costs required to support the programs authorized under 10 V.S.A. chapter 43.
19	When the fees collected under subdivision 2822(j)(12) of this title exceed the
20	annual funding needs of 10 V.S.A. chapter 43, the excess funds shall be
21	deposited into the Unsafe Dam Revolving Loan Fund under 10 V.S.A. § 1106.

1	Sec. 4. 3 V.S.A. § 2822(j)(12) is amended to read:
2	(12)(A) For dam permits issued under 10 V.S.A. chapter 43: 0.525
3	percent of construction costs, minimum fee of \$200.00.
4	(B) For dam registration forms submitted under 10 V.S.A.
5	chapter 43, a person registering a dam shall pay an annual registration fee. The
6	annual fee shall be based on the hazard classification of the dam as follows:
7	(i) Low hazard dam \$200.00;
8	(ii) Unknown hazard dam \$200.00;
9	(iii) Significant hazard dam \$350.00; and
10	(iv) High hazard dam \$1,000.00.
11	* * * Dam Registration Report * * *
12	Sec. 5. DAM REGISTRATION PROGRAM REPORT
13	On or before January 1, 2016, the Department of Environmental
14	Conservation shall submit a report to the House Committee on Fish, Wildlife
15	and Water Resources and the Senate Committee on Natural Resources and
16	Energy. The report shall contain:
17	(1) an evaluation of the dam registration program under 10 V.S.A.
18	chapter 43, including whether impoundments of water with less than one acre
19	of surface area should continue to be exempt from the definition of dam;
20	(2) a summary of the dams registered under the program, organized by
21	amount of water impounded; and

1	(3) an evaluation of any other hydrologic concerns related to dam
2	registration.
3	* * * Effective Date * * *
4	Sec. 6. EFFECTIVE DATE
5	This act shall take effect on July 1, 2014.
6	
7	
8	(Committee vote:)
9	
10	Representative [surname]
11	FOR THE COMMITTEE